

ACTION NO. _____


ITEM NO. _____ N-2 _____

AT A SPECIAL MEETING OF THE BOARD OF SUPERVISORS OF ROANOKE COUNTY,
VIRGINIA HELD AT THE ROANOKE COUNTY ADMINISTRATION CENTER

MEETING DATE: December 13, 2011

AGENDA ITEM: Work session to review the status of fiscal year 2012-2013
budget development

SUBMITTED BY: W. Brent Robertson
Director of Management and Budget

APPROVED BY: B. Clayton Goodman III
County Administrator 

COUNTY ADMINISTRATOR'S COMMENTS:

SUMMARY OF INFORMATION:

This time has been set aside to discuss with the Board of Supervisors Roanoke County's budget development for fiscal year 2012-2013. The discussion will include an overview of revenue and expenditure expectations for the current and next fiscal years, as well as process considerations for the County's annual contributions to outside agencies.

The work session will primarily focus on a general overview of planning and process issues related to upcoming budget development, as detailed revenue and expenditure items related to fiscal year 2012-2013 are just now in the planning stages. As additional information is received and processed, detailed expenditure and revenue figures will be presented in later work sessions with the Board beginning in January.

In addition to the general discussion regarding the upcoming fiscal year 2013 budget deliberations, staff wanted to take the opportunity to discuss with the Board of Supervisors (BoS) members the pending notice to be sent to the outside agencies by which they can seek funding from the BoS. Staff wishes to discuss how much information should be shared with the outside agencies regarding funding for fiscal year 2013. Two years ago, the BoS directed staff to advise the outside agencies that they should be prepared to see up to a ten percent (10%) reduction in funding for the fiscal year 2011 fiscal year.

Lastly, staff wishes to discuss a budgetary issue regarding street lights. To address growing cost to provide street light service and reduced Community Development budget, the Community Development Director issued a moratorium for approval of new street lights.

A Board member asked that this be listed on the work session since we would be discussing budget issues. The BoS member wishes to proceed with installing a street light for their district. The light in question passed review, but I advised that due to the moratorium issued in 2010, to install the BoS member's requested light, all lights approved (6) but not installed due to the moratorium should also be installed. Due to the moratorium, I suggested to the BoS member that this be discussed with the entire BoS to see if the moratorium should be lifted. The total annual cost for the seven (7) lights would be approximately \$490. Whereas this appears to be small, a quick review of the Community Development Budget line item for streets is \$104,000. Since fiscal year 2009, the County annual cost for street lights has been \$119,210; fiscal year 2010, \$120,371; fiscal year 2011, \$127,653; and projected for fiscal 2012 cost will be \$128,000.

The Community Development budget has been reduced by \$376,320 for fiscal year 2010 and another \$35,081 for fiscal year 2012. Total decrease in Department's operating budget for these two fiscal years has been \$411,401.

The Community Development Director issued a street light moratorium since 2010 as an attempt to try and control costs for his Department.

Several attachments can be found to this cover report.

The first attachments are preliminary budget information provided by the Budget and Management Office.

The second attachments are a copy of the prior year letter sent to outside agencies and a copy of Roanoke County Contributions to Local Agencies fiscal year 2011 and fiscal year 2012.

The third attachments are copies of a Memorandum Street Lights dated December 5, 2011, Street Light Information dated November 29, 2011 and Roanoke County Street Light Requests & Procedures.

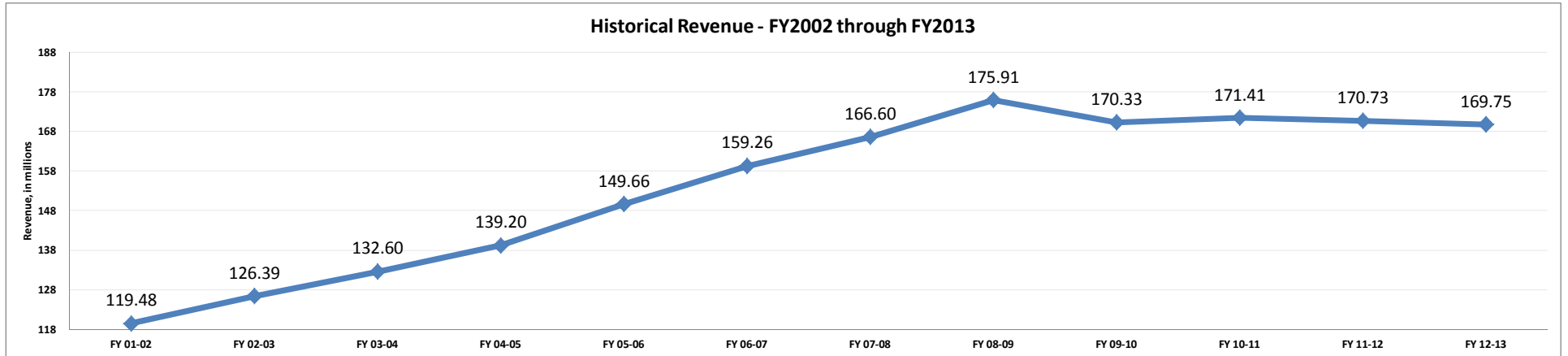
County of Roanoke
General Government Revenue Summary
Preliminary Projections for FY2011-12 and FY2012-2013

	Actual FY 10-11	FY 2011-2012			Preliminary Projections FY 12-13	Revenue Change FY12 to FY13
		Adopted	Prelim Adjust	Amended		
Revenue						
Real Estate Taxes	\$87,565,271	\$88,030,000	(\$550,000)	87,480,000	\$86,650,000	(\$1,380,000)
Personal Property Taxes	26,898,940	27,340,000	0	27,340,000	27,640,000	300,000
Other Property Taxes	3,523,521	3,615,000	(45,000)	3,570,000	3,610,000	(5,000)
Local Sales Tax	8,806,548	9,474,340	(75,000)	9,399,340	9,700,000	225,660
Telecommunications Taxes and Fees	4,167,743	4,200,000	0	4,200,000	4,200,000	0
Utility Consumer Tax	3,681,806	3,650,000	50,000	3,700,000	3,740,000	90,000
Business License Tax	6,388,966	5,575,000	0	5,575,000	5,725,000	150,000
Bank Franchise Tax	524,556	525,000	0	525,000	525,000	0
Motor Vehicle License Tax	2,125,698	2,020,000	130,000	2,150,000	2,175,000	155,000
Recordation and Conveyance Tax	1,024,652	1,075,000	(50,000)	1,025,000	1,025,000	(50,000)
Hotel/Motel Tax	756,308	775,000	0	775,000	775,000	0
Meals Tax	3,563,201	3,630,000	95,000	3,725,000	3,855,000	225,000
Other Local Taxes	650,714	711,000	(45,000)	666,000	666,000	(45,000)
Permits, Fees & Licenses	620,885	575,610	(139,050)	436,560	476,560	(99,050)
Fines and Forfeitures	888,995	835,400	60,000	895,400	895,400	60,000
Use of Money and Property	192,790	269,100	(80,000)	189,100	189,100	(80,000)
Charges for Services*	3,379,179	3,144,433	250,767	3,395,200	3,285,200	140,767
Miscellaneous Revenue	1,285,753	1,126,120	0	1,126,120	1,126,120	0
Recovered Costs	189,030	166,385	0	166,385	166,385	0
Commonwealth	9,725,395	9,857,782	(232,294)	9,625,488	9,587,917	(269,865)
Federal	4,235,100	3,740,000	360,000	4,100,000	3,740,000	0
Sub-total Revenue	\$170,195,049	\$170,335,170	(\$270,577)	\$170,064,593	\$169,752,682	(\$582,488)
% Growth	1.7%	0.1%		-0.1%	-0.3%	
Non-Revenue/Transfers	1,217,556	660,607	0	660,607	0	(660,607)
Total Revenue	\$171,412,605	\$170,995,777	(\$270,577)	\$170,725,200	\$169,752,682	(\$1,243,095)

*Includes ambulance transport fees

County of Roanoke
General Government Revenue Summary
Historical Revenue FY2002 through FY2013

	Actual FY 01-02	Actual FY 02-03	Actual FY 03-04	Actual FY 04-05	Actual FY 05-06	Actual FY 06-07	Actual FY 07-08	Actual FY 08-09	Actual FY 09-10	Actual FY 10-11	Projected FY 11-12	Preliminary Projections FY 12-13
Revenue												
Real Estate Taxes	\$53,968,535	\$57,634,669	\$61,066,864	\$64,955,613	\$69,714,875	\$74,939,380	\$80,311,943	\$84,860,699	\$87,009,773	\$87,565,271	\$87,480,000	\$86,650,000
Personal Property Taxes	23,394,932	24,234,247	23,812,984	25,466,620	26,776,465	27,417,704	28,175,436	27,503,427	26,728,090	26,898,940	27,340,000	27,640,000
Other Property Taxes	2,948,345	3,115,736	3,272,384	3,121,500	3,108,415	3,048,069	3,301,909	3,329,745	3,512,405	3,523,521	3,570,000	3,610,000
Local Sales Tax	6,135,430	6,462,359	7,152,543	7,377,960	8,046,832	8,570,818	8,464,493	8,532,991	8,331,887	8,806,548	9,399,340	9,700,000
Telecommunications Taxes and Fees		-	-	-	-	1,441,345	4,394,952	4,200,051	4,065,083	4,167,743	4,200,000	4,200,000
Utility Consumer Tax	4,684,558	4,709,906	5,008,648	4,695,721	4,620,956	4,068,365	3,564,342	3,611,860	3,620,581	3,681,806	3,700,000	3,740,000
Business License Tax	4,272,833	4,615,098	4,835,035	4,572,222	5,186,911	5,854,406	5,740,634	5,593,361	5,264,972	6,388,966	5,575,000	5,725,000
Bank Franchise Tax	454,420	347,416	357,895	609,587	447,561	391,539	380,331	353,592	530,031	524,556	525,000	525,000
Motor Vehicle License Tax	1,712,202	1,721,892	1,774,956	1,821,134	1,896,480	1,834,258	1,901,407	1,763,872	2,004,301	2,125,698	2,150,000	2,175,000
Recordation and Conveyance Tax	1,099,644	1,203,223	1,275,313	1,525,281	1,827,259	1,719,692	1,656,233	1,329,945	1,188,148	1,024,652	1,025,000	1,025,000
Hotel/Motel Tax	676,526	590,988	589,080	626,855	693,866	732,428	952,154	845,202	749,047	756,308	775,000	775,000
Meals Tax	2,601,408	2,782,566	2,870,557	2,990,255	3,126,455	3,412,208	3,534,196	3,468,362	3,384,352	3,563,201	3,725,000	3,855,000
Other Local Taxes	1,399,383	1,375,191	1,458,091	1,508,986	1,566,655	1,612,374	634,530	613,886	691,486	650,714	666,000	666,000
Permits, Fees & Licenses	670,999	601,878	720,637	663,540	804,631	780,417	946,025	746,388	808,141	620,885	436,560	476,560
Fines and Forfeitures	709,667	584,979	680,283	700,301	755,033	754,895	706,354	824,001	810,241	888,995	895,400	895,400
Use of Money and Property	678,989	341,545	361,512	531,661	1,187,294	2,223,068	1,556,828	734,224	271,318	192,790	189,100	189,100
Charges for Services*	1,153,411	2,175,846	2,640,839	2,538,811	3,039,784	3,169,745	3,535,943	3,830,194	2,929,337	3,379,179	3,395,200	3,285,200
Miscellaneous Revenue	714,283	654,784	825,817	759,431	674,731	1,221,651	992,414	1,281,988	1,219,115	1,285,753	1,126,120	1,126,120
Recovered Costs	100,604	81,283	84,606	193,785	132,802	131,245	149,516	285,008	182,320	189,030	166,385	166,385
Commonwealth	8,444,497	8,753,596	8,368,956	9,198,895	9,879,059	10,530,825	10,988,979	9,580,338	10,256,151	9,725,395	9,625,488	9,587,917
Federal	2,852,737	2,803,006	3,893,382	3,948,299	4,521,990	4,400,260	4,178,411	4,821,907	3,815,504	4,235,100	4,100,000	3,740,000
Sub-total Revenue	119,410,230	125,781,235	132,225,891	139,160,041	149,417,499	158,981,417	\$166,067,029	\$168,111,040	\$167,372,284	\$170,195,049	\$170,064,593	\$169,752,682
% Growth	-	8.7%	5.1%	5.2%	7.4%	6.4%	4.5%	1.2%	-0.4%	1.7%	-0.1%	-0.2%
Non-Revenue/Transfers	72,540	608,165	373,586	35,659	240,723	278,700	531,000	7,795,718	2,957,296	1,217,556	660,607	0
Total Revenue	119,482,770	126,389,400	132,599,477	139,195,700	149,658,222	159,260,117	\$166,598,028	\$175,906,757	\$170,329,580	\$171,412,605	\$170,725,200	\$169,752,682



*Includes ambulance transport fees

County of Roanoke
Preliminary Expenditure Projections
FY2012-2013

Preliminary Revenue Estimates @

12/13/2011

(\$1,243,095) *

** Exclusive of state budget changes*

Expenditure Considerations:

VRS Retirement - rate increase	\$ 2,000,000	
Plan II savings	(100,000)	
VRS Life Ins. - rate increase	500,000	
Proposed Salary Increase (3%)	1,500,000	
Health Insurance Increase (est. @ 10%)	500,000	
Proposed Operations Increases - contractual (est.)	<u>300,000</u>	<u>4,700,000</u>

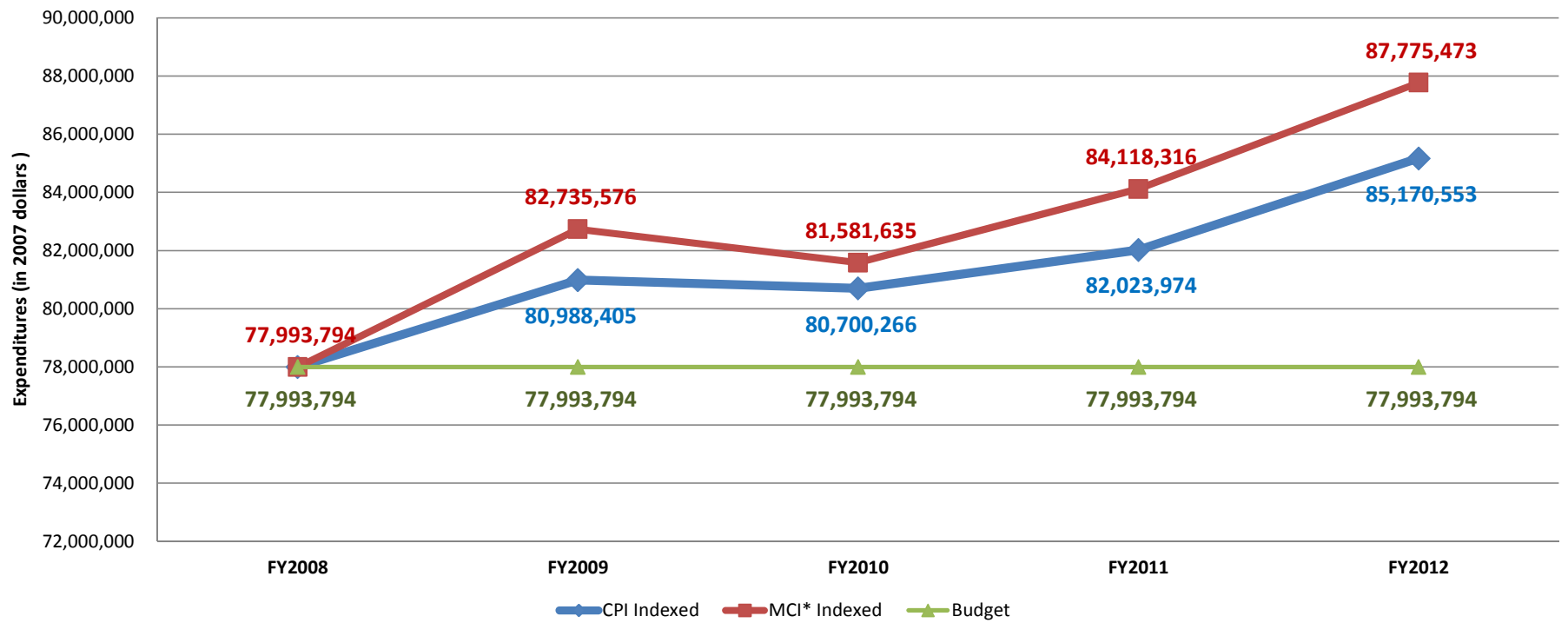
Preliminary Deficit Projections 12/13/2011

(\$5,943,095)

Additional Considerations for FY12-13:

State Budget Allocations
Capital Improvements - \$10 million available FY14
VDOT Devolution
Stormwater Management

County of Roanoke
Expenditure Budget - 2007 Dollars
FY2008 through FY2012



**Roanoke County
Contributions to Local Agencies
FY2011 and FY2012**

Health, Human, and Social Services Agencies

Agency Name	FY11 Adopted	FY12 Request	FY12 Adopted
Adult Care Center of the Roanoke Valley	\$8,900	\$8,900	\$8,900
Advancement Foundation	\$400	\$1,000	\$600
American Red Cross	\$3,400	\$5,000	\$3,500
Bethany Hall	\$1,100	\$1,800	\$1,100
Big Brothers and Big Sisters of Roanoke Valley	\$4,100	\$5,000	\$4,400
Blue Ridge Independent Living Center	\$900	\$10,000	\$1,000
Blue Ridge Legal Services, Inc.	\$600	\$3,732	\$700
Boys & Girls Clubs of Southwest Virginia	\$200	\$8,213	\$800
Bradley Free Clinic	\$5,100	\$5,600	\$5,200
Brain Injury Services of SWVA	\$2,000	\$13,000	\$2,800
Child Health Investment Partnership (CHIP)	\$18,400	\$21,615	\$19,100
Children's Trust (formerly Children's Advocacy Center and CASA)	\$6,900	\$6,840	\$6,600
Commonwealth Catholic Charities	\$400	\$800	\$400
Conflict Resolution Center, Inc.	\$1,200	\$5,000	\$1,200
Council of Community Svcs - Info and Referral Center	\$2,900	\$2,880	\$2,900
Council of Community Svcs - Nonprofit Resource Center	\$500	\$500	\$500
Family Service of the Roanoke Valley	\$4,100	\$4,100	\$4,100
Good Samaritan Hospice	\$0	\$5,500	\$0
Goodwill Industries of the Valleys	\$600	\$1,000	\$600
Greenvale School	\$0	\$2,500	\$0
Habitat for Humanity	\$1,600	\$1,700	\$1,700
Literacy Volunteers of Roanoke Valley	\$1,100	\$1,500	\$1,100
LOA Area Agency on Aging	\$14,200	\$33,482	\$15,000
Manna Ministries	\$800	\$2,000	\$1,000
Mental Health America of Roanoke Valley	\$1,000	\$1,000	\$1,000
Presbyterian Community Center	\$600	\$1,000	\$800
Rebuilding Together	\$0	\$2,800	\$0
Roanoke Area Ministries	\$1,300	\$5,000	\$1,500
Roanoke County Prevention Council	\$900	\$1,000	\$1,900
Roanoke Valley Interfaith Hospitality Network	\$800	\$1,500	\$1,000
Roanoke Valley SPCA	\$800	\$1,000	\$1,000
Roanoke Valley Speech & Hearing Center	\$1,600	\$1,800	\$1,700
Saint Francis of Assisi Service Dog Foundation	\$3,400	\$10,000	\$4,000
Salem/Roanoke County Community Food Pantry	\$4,800	\$5,000	\$4,900
Salvation Army	\$2,500	\$3,000	\$2,900
Southeast Rural Community Assistance Project, Inc.	\$0	\$5,000	\$600
Southwestern Virginia Second Harvest Food Bank	\$4,700	\$4,700	\$4,700
TAP	\$24,700	\$24,700	\$24,500
TAP - Transitional Living Center	\$16,000	\$16,000	\$15,700
Trust House	\$3,700	\$5,000	\$3,800
YWCA of the Roanoke Valley	\$900	\$4,000	\$1,000
Total Health, Human, and Social Services Agencies	\$147,100	\$244,162	\$154,200

**Roanoke County
Contributions to Local Agencies
FY2011 and FY2012**

Cultural, Toursim, and Other Agencies

Agency Name	FY11 Adopted	FY12 Request	FY12 Adopted
Art Museum of Western Virginia (Taubman Museum) - Operating	\$0	\$10,000	\$0
Arts Council of the Blue Ridge	\$1,500	\$3,000	\$1,400
Blue Ridge Soil and Water Conservation District	\$1,000	\$3,500	\$1,000
Center in the Square Operating	\$33,300	\$37,400	\$34,700
Center in the Square - Igniting Dreams, Energizing Promises Campaign <i>(this is a 5 year request for \$200,000 per year)</i>	\$0	\$1,000,000	\$0
Clean Valley Council, Inc	\$1,400	\$3,000	\$1,600
FRIENDS of the Blue Ridge Parkway	\$8,500	\$12,500	\$8,500
History Museum & Historical Society of Western Va. - O. Winston Link Museum	\$2,800	\$4,000	\$2,900
History Museum & Historical Society of Western Va.	\$3,800	\$6,000	\$3,700
Hollins University - The Eleanor D. Wilson Art Museum	\$17,000	\$24,950	\$16,700
Jefferson Center Foundation	\$1,600	\$2,500	\$1,800
Mill Mountain Zoo	\$8,400	\$20,000	\$8,700
Mill Mountain Zoo - Capital Request	\$1,600	\$20,000	\$1,600
Miss Virginia Pageant	\$900	\$1,200	\$1,000
Miss Virginia Pageant - TV Sponsorship	\$2,400	\$4,950	\$2,500
Opera Roanoke	\$600	\$1,000	\$700
Roanoke Higher Education Center	\$10,300	\$11,000	\$10,500
Roanoke River Basin Association	\$0	\$4,000	\$0
Roanoke Symphony	\$5,300	\$6,000	\$5,200
Roanoke Valley Sister Cities	\$1,600	\$1,600	\$2,700
Roanoke Valley Television	\$140,127	\$140,106	\$140,106
Salem Museum and Historical Society <i>(The full request is for \$100,000 at \$20,000 per year for 5 years)</i>	\$0	\$20,000	\$700
Salem-Roanoke Baseball Hall of Fame	\$1,500	\$3,000	\$1,400
Salem/Roanoke County Chamber of Commerce - Operating	\$5,200	\$5,200	\$5,200
Science Museum of Western Virginia - Operating	\$15,900	\$18,000	\$16,000
Small Business Development Center	\$2,900	\$5,000	\$3,000
Tri-County Lake Administrative Commission (TLAC) Smith Mtn Lake	\$4,700	\$0	\$0
Vinton Chamber of Commerce - Business Recruitment	\$3,700	\$6,000	\$3,900
Vinton Dogwood Festival	\$1,000	\$1,500	\$1,000
Vinton Historical Society	\$1,900	\$10,000	\$2,100
Virginia Amateur Sports	\$39,780	\$40,000	\$40,000
Virginia Economic Bridge	\$0	\$3,000	\$0
Virginia Museum of Transportation	\$4,200	\$6,500	\$4,600
Western Virginia Land Trust	\$2,000	\$2,500	\$2,000
Williamson Road Area Business Association	\$1,000	\$24,380	\$2,000
Young Audiences of Virginia, Inc.	\$1,000	\$1,000	\$1,000
Total Cultural, Tourism, and Other Agencies	\$326,907	\$1,462,786	\$328,206

**Roanoke County
Contributions to Local Agencies
FY2011 and FY2012**

Memberships:

These funding allocations represent memberships in the specific organization and, by nature, must be funded at the full amount to retain membership.

Agency Name	FY11 Adopted	FY12 Request	FY12 Adopted
National Association of Counties	\$1,770	\$1,770	\$1,770
Roanoke Regional Chamber of Commerce - Dues	\$2,615	\$2,630	\$2,630
Roanoke Valley Alleghany Regional Commission	\$57,840	\$62,937	\$62,937
Salem/Roanoke County Chamber of Commerce - Dues	\$1,000	\$1,000	\$1,000
Vinton Chamber of Commerce - Dues	\$500	\$500	\$500
Virginia Association of Counties	\$20,458	\$20,458	\$20,458
Virginia Institute of Government Membership	\$5,000	\$5,000	\$0
Virginia Municipal League	\$10,241	\$10,241	\$10,241
Total Membership Agencies	\$99,424	\$104,536	\$99,536

Contractual Relationship for Services:

Agency Name	FY11 Adopted	FY12 Request	FY12 Adopted
Art Museum of Western Virginia (Taubman Museum) - Roanoke County Schools Education Program <i>Contractual Agreement</i>	\$41,700	\$41,700	\$41,700
Art Museum of Western Virginia (Taubman Museum) <i>Contractual Agreement</i>	\$40,000	\$40,000	\$40,000
Blue Ridge Behavioral Healthcare*	\$162,000	\$248,907	\$175,000
VA First Industrial Authority (Contractual Agreement)	\$34,255	\$34,255	\$34,255
Virginia Western Community College - Scholarship	\$13,779	\$13,184	\$13,184
Virginia Western Community College - Site Development <i>(Fourth year of 5 year capital funding request submitted in FY08-09)</i>	\$36,347	\$40,579	\$40,579
Total Contractual Relationship for Services	\$328,081	\$418,625	\$344,718

*The BRBH budget request represents the County's portion of the 10 percent local match that the Department of Behavioral Health and Developmental Disabilities mandates that local Community Service Boards obtain from local governments in its service area. Failure to fully fund this request could result in additional funding cuts from the Commonwealth. Although not funding the full local match could result in state cuts, this has never been enforced in past years when local funding fell short of the required match.

Economic Development & Community Investments:

These organizations have made prior presentations to the Board and do not participate in the contributions work session. These contributions, in most cases, represent "membership" in the organization; however, the contribution (and the current year's request) is not contractual. Historically, the Board has utilized their discretion in funding increases in contribution requests.

Agency Name	FY11 Adopted	FY12 Request	FY12 Adopted
Greenway Commission	\$26,820	\$35,200	\$28,000
Roanoke Regional Partnership	\$153,262	\$173,756	\$173,756
Roanoke Valley Convention and Visitors Bureau	\$161,800	\$209,000	\$162,400
Total Economic Development & Community Investments	\$341,882	\$417,956	\$364,156

Grand Total - All Agencies	\$1,243,394	\$2,648,065	\$1,290,816
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County of Roanoke

Department of Management and Budget

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Jimmy Lyon
Budget Analyst
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(540) 772-2011

Organization Address

Dear ,

The County of Roanoke considers funding requests from local non-profit organizations that offer services to the citizens of the Roanoke Valley. Our records indicate that your organization has previously requested funds from the County.

We are now accepting applications for contributions for the 20XX-20XX fiscal year. For consideration, please submit a written funding request to the Department of Management and Budget by **February XX, XXXX**. Please include the following information:

- Agency Name
- Agency Contact (Executive Director, President, or Financial Officer)
- Address, phone/fax number, and email address
- Agency Mission
- Program Description (related to use of requested funds)
- A copy of the organizations most recent financial statements.
- Specific Request Amount

In addition to the basic requirements listed above, additional guidelines apply to agencies requesting contributions of \$25,000 or more:

- 1) Organizations must develop a business plan that includes evidence of community involvement and an outline of long term plans for financial sustainability.
- 2) Organizations must agree to an annual joint site visit by Roanoke County, Roanoke City, Carilion Foundation, and the Funders Circle and periodic reporting of results achieved through funds received.
- 3) Copy of the most recent agency audit (for all agencies in operation for two years or longer with an annual budget of \$25,000 or more).

These guidelines are intended to identify specific requirements that agencies are expected to adhere to in applying for funding. While non-adherence to the guidelines will not necessarily prohibit an agency from receiving funds, adherence will be used as one of the key factors in determining funding.

Given current economic conditions and the uncertainty surrounding future revenue projections, Roanoke County departments are considering potential reductions in operating budgets. Therefore, the Board of Supervisors will be carefully reviewing all non-profit agency funding requests for inclusion in the FY20XX-20XX budget. The Department of Management and Budget will be in contact with outside agencies regarding agency presentations to the Board of Supervisors.

Final funding will not be approved by the Board of Supervisors until May 20XX. If you have questions regarding this process, please contact Jimmy Lyon at 540-772-2011.

Sincerely,

A handwritten signature in cursive script that reads "W. Brent Robertson".

W. Brent Robertson
Director, Department of Management and Budget

PRIOR YEAR (FY11-12)